



M. Jodi Rell
GOVERNOR
STATE OF CONNECTICUT

March 19, 2009

The Hon. Harry Reid, Majority Leader
United States Senate
522 Hart Senate Building
Washington, D.C. 20510

The Hon. Jeff Bingaman, Chairman
Senate Committee on Energy & Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

The Hon. Lisa Murkowski, Ranking Member
Senate Committee on Energy & Natural Resources
304 Dirksen Senate Building
Washington, DC 20510

Dear Majority Leader Reid, Chairman Bingaman and Ranking Member Murkowski:

I strongly support the overarching goal of S. 539, the proposed *Clean Renewable Energy and Economic Development Act*.

But provisions within the current language of the bill that effectively give the Federal Energy Regulatory Commission (FERC) the power to put electric transmission lines anywhere it desires are an unacceptable assault on state's rights and threaten the homes and property of millions of Americans.

Like far too many other states, Connecticut has a long history of difficult dealings with FERC. While the focus of federal energy regulators has understandably been national in scope, FERC has repeatedly proven itself distant – even imperious – in its dealing with state governments and utterly indifferent to the needs or desires of local municipalities or their residents.

The idea of turning over such a critical state right – the right to site electric transmission lines – to an agency and process that we believe has served our state very poorly is an outrage and would rightly leave Connecticut citizens fearing the result.

The laudable goals of S. 539 are to encourage and hasten the development of “green” power and to rapidly establish the infrastructure necessary to carry that power – whether generated by wind, solar, hydro, biomass or other means – from the relatively remote, often rural generation sites to the urban areas where it is needed most.

Where we would take issue as a state is the method employed to achieve that goal. We do not accept that the only solution to rapid deployment of renewable energy transmission is to strip the states of the

authority over energy resource siting. FERC currently has authority for siting interstate transmission projects that are needed to meet federally enforceable reliability standards or to address transmission system bottlenecks. Any expansion beyond this mandate is unwarranted and ignores the cooperative role states like Connecticut have played in the development and integration of “green” energy in our states.

Furthermore, Connecticut’s record of ably addressing difficult siting issues demonstrates why such a shift in jurisdiction is both unnecessary and unwise. Just last month our state’s largest transmission and distribution company placed into service a 69-mile, 345-kV transmission project which significantly improves reliability and resolves long-standing congestion charges. The project design balances local concerns with operational requirements in way that can only be accomplished through a comprehensive, respectful process – a process that a federal agency such as FERC simply cannot provide.

Our state has accomplished this important work because Connecticut has opted to establish and maintain a dedicated agency, the Connecticut Siting Council, for the purpose of adjudicating such controversial, often difficult projects. Frankly, Connecticut gets it done and gets it done right – and the record demonstrates that.

The use and development of renewable energy are goals I have long supported. I am proud to say that Connecticut is considered a leader in the use of “clean” power – our state was one of only three making U.S. EPA’s top 50 list of national Green Power Partners this year – and we are the world leader in the development of fuel cell technology. My *Energy Vision for a Cleaner, Greener State*, released in September 2006, set a goal of increasing the percentage of clean, renewable energy consumed by state government from all sources to 20 percent by the year 2020.

However, Connecticut has had more than our share of problems in dealing with FERC:

- In 2004, FERC proposed a two-zone pricing scheme for Connecticut – Locational Installed Capacity, or LICAP – that would have devastated the state’s economy, costing ratepayers some \$13 billion over five years. The ostensible goal of LICAP was to stimulate power plant construction by artificially inflating electricity prices. Yet even FERC repeatedly acknowledged that the problem – at the time – was not generating capacity but transmission capacity, an issue that has since been resolved.
- In 2005, FERC refused to give Connecticut a role in any siting decisions involving the proposed Broadwater liquefied natural gas (LNG) platform in the Long Island Sound, an environmental crown jewel that is shared by both Connecticut and New York. Because the platform was to be located just across the New York side of the line dividing control of the Sound, FERC flatly refused to give Connecticut a seat at the table – despite the fact that the waters of the Sound wash up on both shores and the fact that LNG tankers would be navigating Connecticut waters on approach to the platform.
- In 2006, FERC ignored the concerns of residents and permitted the siting of a natural gas compressor on High Meadow Road in my home town of Brookfield. The Iroquois MarketAccess Project location is 2,000 feet from a middle school and near a number of homes.
- In 2007, FERC continued to ignore those concerns and permitted the siting of a second natural gas compressor at the High Meadow Road location.

This is by no means an exhaustive list. However, it gives you a sampling of the dealings we have had with out-of-control federal energy regulators who are already all too willing to trample on state's rights and prerogatives and the interests of millions of ordinary citizens.

To give this same body explicit permission to act in such a manner – even in the name of such laudable goals as increased energy security – is a truly frightening prospect.

Senator Reid has acknowledged that there is room for improvement in S. 539. I urge you in the strongest terms possible to safeguard the rights of states and citizens and to preserve the existing collaborative structure of siting councils, boards and agencies.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "M. Jodi Rell".

M. Jodi Rell
Governor

A small, stylized handwritten mark or signature, possibly initials, located below the printed name.